RAJYA SABHA

Monday, the 28th February, 2000/ 9th Phalguna, 1921 (Saka)

The House met at eleven of the clock, **Mr. Chairman** in the Chair.

SOME HON. MEMBERS: Happy Birthday, Sir.

MR. CHAIRMAN: Thank you very much.

MEMBER SWORN

Shri K. C. Kondaiah (Karnataka)

ORAL ANSWERS TO QUESTIONS

Processing of Anti-dumping duty cases

*41. SHRI PREM CHAND GUPTA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that as per newspaper reports, normal time prescribed for processing Anti-Dumping Duty cases is 60 days, but actually the normal time taken by Commerce Ministry ranges between 12—20 months;

(b) how many cases are pending with Government; and

(c) how many cases have been settled, so far, and the time taken thereon?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) No, Sir. As per the Anti-dumping rules the time prescribed for the completion of Anti-dumping investigations and recommending final findings after initiation is 12 months, extendable in exceptional circumstances by 6 months with the approval of the Central Government. The final determination has been recommended within 12 months in 25 cases out of 41, since the inception of action taken under the Anti-Dumping Rules. The extension from Central Government was taken in 16 cases under exceptional circumstances. A statement indicating details is at Annexure. [*See Appendix 189, Annexure No. 9*]

(b) and (c) A statement is laid on the Table of the House.

Statement

(b) List of cases till date wherein the Designated Authority appointed under the Customs Tariff Acts and Rules made thereunder has recommended provisional Anti-dumping duty or where investigations have been initiated

and are pending for recommendations is given at Annexure [*See Appendix 189, Annexure No. 9]*

(c) List of cases till date where definitive duties have been recommended by the Designated Authority appointed under the Customs Tariff Acts and Rules made thereunder is given at Annexure. [*See Appendix 189, Annexure No. 9]*

SHRI PREM CHAND GUPTA: Mr. Chairman. Sir, in the changed regime of world trade that was in place under GATT, the countries who had been developing their industrial Base were to be protected through a measure of anti-dumpting duty. Sir, as a matter of fact, the reply given by the Government is not satisfactory at all. In addition to that, it is also a disappointing one. The normal time prescribed for taking a view on anti-dumping duty is 60 days. The Western countries, who are concerned only with their domestic industry, take a view in three or four months; whereas we in our country take almost 18 months to take a view on anti-dumpting applications. I do not understand as to why such a long time is being taken by the authorities. I would like to know whether they are short of people or whether this is a motivated delay. The Government has not given me a proper reply on that account. Mr. Chairman, Sir, in the last eight years they have decided only 16 cases, whereas the number of applications filed with the Department is close to 57. I would like to know the reasons for such delays.

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH): Mr. Chairman, Sir, there is no cause for concern where India's initiating and following up the anti-dumping measure is concerned. I would like to correct the hon. Member's perception that we are slow in dealing with the anti-dumping cases. It is true that there is a prescribed measure whereby from the date the case is initiated, no action can be taken for 60 days. But that does not mean that action has to be taken on the 60th day. All that is means is that you cannot take action before the conclusion of the 60th day. As far as average of the Western countries is concerned, the average for the European Union and the United States of America ranges from six to seven months.

As far as India is concerned, the average is seven to eight months. The time-frame that has been allotted to the Ministry of Commerce, to investigate anti-dumping cases, is twelve months. The Ministry may take extension under exceptional circumstances. I would like to inform the House that in the last

year *i.e.*, 1999, we had not sought, even in a single case, extension under exceptional circumstances. We are hopeful that even in the current year —2000— we will not be asking for any extension under exceptional circumstances. Which means, we will be completing all anti-dumping cases that have been initiated within twelve months, and we will continue to do so.

Another thing which I want the hon. Member to keep in mind is, the American Departments and the European Union have more than 300 to 400 personnel to initiate and follow-up the anti-dumping cases. But, whereas we, in India, are surviving with barely 11 to 12 personnel and, even then, we are able to complete cases, on an average, within seven to eight months.

SHRI PREM CHAND GUPTA: Sir, the reply given by the hon. Minister is not consistent with the statement laid by him. Since the beginning of 1992 till 1998, only sixteen cases were decided and the average time taken was more than fifteen months. This is as per the reply of the Government. This is not my statement. How can he say that the Government is taking only six to seven months? It is not correct. The correct thing is, it is from thirteen to eighteen months. My submission is, it is not a question whether we take thirteen months or fourteen months or fifteen months or eighteen months. The question is, why do we want to delay? Mr. Chairman, Sir, there is a designated authority in the Ministry of Commerce which takes a view on the application filed before it by an industry. Thereafter, the application is sent to the Department of Revenue and they again take time. If this is the case, what happens to that industry after eighteen months? After eighteen months, the industry becomes sick. Why are we taking more time? There must be some reason.

My second supplementary is, we have a very strange system. We have a concept of NIP *i.e.*, Non-Injurious Price, being determined by the designated authority. This practice is there only in India and nowhere else. Our decision-makers say that since we have a lower cost of production, it does not harm the industry. Sir, in today's world, where is the manpower involved in industry? Most of the production is operated either by computers or robots. A very high and advanced technology is used in producing a product. The NIP is a defective concept. I would like to ask the hon. Minister as to why is this NIP concept only in this country and nowhere else.

SHRI OMAR ABDULLAH: Mr. Chairman, Sir, I am not sure what the connection between the price and the question is. As per the information that has been supplied to me, the European Union and some other countries have a

lesser duty rule and hence, the NIP is taken only as per those rules and no other rules.

SHRI PREM CHAND GUPTA: Sir, my points...

MR. CHAIRMAN: No. Your supplementaries are over.

SHRI S. B. CHAVAN: Mr. Chairman, Sir, I found, there is no co-ordination between the Ministries. I have got a letter. I have been raising the question about sugar import policy from Pakistan for the last four years. I got the latest letter from Shri Shanta Kumar, the Minister of Public Distribution. He wrote to me stating that it is for the Ministry concerned to invoke the provisions of the Anti-Dumping Act. Is the hon. Minister aware of the fact that there is a huge amount of subsidy which is being given by Pakistan and other countries from where either sugar or wheat is being imported? Sir, in spite of the fact that this question is being raised on the floor of the House for the last four years, I still get a reply that anti-dumping measure is not the responsibility of the Ministry of Public Distribution; it is the responsibility of Commerce Ministry. There has to be some kind of a coordination between the two Ministries. So, I would like to know from the Commerce Ministry as to why, in spite of knowing fully well that a huge amount of subsidy is being given to exporters in other countries, and there is no level playing field for the domestic industry, nothing is being done. The domestic industry is suffering a terrible loss, and in spite of raising the question all the while, I am not getting a proper reply. Now, I would like to know from the hon. Minister as to what is being done in this matter.

SHRI OMAR ABDULLAH: Mr. Chairman, Sir, through you, I would like to inform the hon. Member that there is a very strict procedure for initiating anti-dumping measures, but the initiative cannot be taken by the Commerce Ministry. Even if there is a case, where action needs to be taken, the case must be put before the designated authority by the aggrieved industry, which means, the sugar industry must make out a case to the designated authority and only then the anti-dumping measures can be initiated. So, I would request, through you ...(*Interruptions*)...

SHRI S. B. CHAVAN: Everything is known to you. Questions regarding this are raised on the floor of the House, and in spite of knowing fully well that this anti-dumping measure is absolutely necessary, you do not want to take any action. It clearly shows that there is some motive behind the whole thing.

SHRI OMAR ABDULLAH: We have levied 60% duty on imported sugar to protect our industry, but since this question pertains to anti-dumping measures, all I can do is to request the hon. Member to use his good offices and ask the sugar industry to make out a case to the Commerce Ministry. The Commerce Ministry would be more than happy to pursue it, but we cannot initiate the action.

SHRI PREM CHAND GUPTA: Sir, ...*(Interruptions)*...

MR. CHAIRMAN: No more questions. You have already put two questions.

श्री गया सिंह: सभापति महोदय, अभी मंत्री जी जो आंसर दे रहे हैं और माननीय सदस्यों ने जो पूछा है, उसे दृष्टिगत रखते हुए मैं सरकार से सिर्फ यह जानना चाहता हूं इनका कहना है कि 7-8 महीना लगता है, लेकिन पिछले 2-3 साल से पर्सनली मैं जानता हूं कि स्टील इंडस्ट्री हिन्दुस्तान में आज नुकसान में इसलिए है कि बाहर से काफी स्टील आया है और हम लोगों ने इसमें अभी एक-दो केस में इनीशिएटिव लिया है, लेकिन हमारा स्टील या दूसरी कोई आइटम जब अमरीका या कोई दूसरी जगह जाती है तो वे न केवल एंटी डंपिंग में रोक लगाते हैं बल्कि हमारे लोगों को इतना भय हो जाता है कि वे यहां से ले नहीं जाते। अब मैं माननीय मंत्री जी से जानना चाहता हूं कि क्या आपकी मिनिस्ट्री ने कोई सर्वे किया है या कोई अगर रिपोर्ट करेगा तब आप केस करेंगे आपकी मिनिस्ट्री में या कहीं कोई ऐसा कोआर्डीनेशन है कि जो हमारे देश में आ रहा है उसके खिलाफ हम एंटी डंपिंग एक्ट के अनुसार कार्यवाही करें या उसमें कोई संशोधन करने का सरकार का विचार है?

श्री उमर अब्दुला: सभापति जी, जैसा मैंने माननीय सदस्य को अभी कहा है कि हम एंटी डंपिंग मेज़र्ज़ इनीशिएट करते हैं जब हमारी मिनिस्ट्री की जो डेजिग्नेटेड अथारिटी है उन्हें केस सौंप दिया जाता है तो जब यह केस हमारे पास आ जाता है तब हम ये एंटी डंपिंग मेज़र्ज़ उसी वक्त इनीशिएट करते हैं।

श्री राघवजी: सभापित जी, विदेशी राष्ट्र भारत को एक डंपिंग ग्राउंड बनाते जा रहे हैं और उसके कारण भारतीय उद्योग बहुत क्षति उठा रहे हैं। कई उद्योग तो बंद हो गए हैं और कई बीमार हो गए हैं। अभी माननीय मंत्री जी ने बताया कि दो महीने तक तो कार्यवाही शुरू होगी ही नहीं और होने के बाद के 12 महीने के अंदर समाप्त होगी, तो इस प्रकार से इसमें लंबा समय लगता है। इसलिए इस कानून को बदलने की आवश्यकता है, वरना इतने लंबे समय में तो एंटी डंपिंग कानून का जो उद्देश्य है वह उद्देश्य ही समाप्त हो जाता है और तब तक सारे उद्योग जो शिकायत करते हैं वे बंद हो जाते हैं। इसलिए मैं माननीय मंत्री जी से यह जानना चाहता हूं कि यह जो प्रोसीज़र में आपने दो महीने का टाइम रखा हुआ है और 12 महीने का समय जो अंतिम

निर्णय में रखा है, यह सारी कार्यवाही दो महीने के अंदर ही पूरी हो जाए, ऐसा कोई नियम बदलने की व्यवस्था आप करेंगे, जिससे कि एंटी डंपिंग ड्यूटी लगाने का जो उद्देश्य है वह उद्देश्य पूरा हो सके?

SHRI OMAR ABDULLAH: Mr. Chairman, Sir, the time-frame that has been prescribed is not the minimum, it is the maximum. If a stronger case is made out before the designated authority, lesser time would be taken in initiating the necessary action. It all depends on what sort of a case is made out by the aggrieved industry. As far as the time frame is concerned, that is prescribed by the WTO. It is not done by rules framed by the Government of India. Therefore, to change this rule, all the countries within the WTO would have to agree to change this rule.

SHRI JIBON ROY: With the signing of the WTO, it was expected that our exports and our overall trade would grow, but they are declining. From the date of signing the WTO, our exports have gone down from 28 per cent to 4 per cent. I wish to know how much the anti-dumping assault by foreign countries has contributed to this reduction of exports. Very recently, Canada and the USA not only imposed anti-dumping regimes against us but they have also impounded our two steel consignments. I wish to know what retaliatory anti-dumping measures the Government has taken against these states in our country. The Minister himself has agreed that there was no inter-ministerial coordination. The Minister himself has agreed that only 12 or 13 officials are working in such an important area. We wish to know what positive steps the Government has taken to stop it and to protect the interests of our industries in foreign countries.

SHRI OMAR ABDULLAH: Mr. Chairman, may I correct this? Unfortunately, words have been put into my mouth. I have at no stage said that there was no coordination. There is coordination. ...*(Interruptions)*

SHRI JIBON ROY: You said that.

SHRI OMAR ABDULLAH: When did I say that? I said that the sugar lobby must make a case to the Ministry of Commerce. I said nothing about the Ministry of Public Distribution. The Ministry of Public Distribution cannot make a case. The industry must make a case, not the Ministry of Public Distribution.

As far as anti-dumping measures initiated against India are concerned; that is a separate question. If the hon. Member wishes to frame it, I will be happy to answer it at that stage.

SHRI KRISHNA KUMAR BIRLA: The sugar industry people must have met the Prime Minister at least three times. They must have met the Minister at least once. They have told them that sugar was being imported into the country from Beijing and Pakistan and that something should be done about the matter.

SHRI OMAR ABDULLAH: As I have already mentioned, we have already raised the duty on imported sugar to 60 per cent. However, as far as anti-dumping measures are concerned, meeting the Minister or meeting the Prime Minister is not good enough for a quasi-judicial authority like the Anti-Dumping Authority to initiate a case. The case must be made by the sugar industry to the designated Authority, and the necessary procedure will be carried out.

SHRI S.R. BOMMAI: Is the Government aware that as sugar factories has stopped purchasing sugarcane from farmers, the farmers throughout the country are burning their sugarcane crops? Farmers have gone on hunger strikes. Some farmers have committed suicide in Karnataka because sugar factories did not receive their sugarcane. The sugar factories say that they have lakhs of tonnes of sugar in store and that they are not permitted to sell it. Under these circumstances, why is the Government importing sugar from Pakistan or any other country? I would like to know this.

SHRI OMAR ABDULLAH: Mr. Chairman, the Government is not importing sugar.

Secondly, as I have already said more than once in my answer, as far as anti-dumping measures are concerned, the aggrieved industry must make a case. I will reiterate this again that as far as anti-dumping measures are concerned, the aggrieved industry must make a case. I would request the hon. Member to use his good offices to get the industry make a case to the designated Authority. We will take the necessary anti-dumping measures against the country that is dumping its products here.

SHRI S.R. BOMMAI: I did not ask about anti-dumping measures. They are dumping the farmers. I would like to know whether they would stop it.

MR. CHAIRMAN: Next question—No. 42.

Illegal Godowns and Jhuggies in DIZ area

*42. SHRIMATI MALTI SHARMA: Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether it is a fact that in the Government quarters of Block No. 6, DIZ